

**REGULAR MEETING OF THE ANOKA CITY COUNCIL
ANOKA CITY HALL
CITY COUNCIL CHAMBERS
AUGUST 21, 2023**

1. CALL TO ORDER

Mayor Rice called the regular meeting of the City Council to order at 7:05 p.m., followed by the Pledge of Allegiance.

2. ROLL CALL

Present at roll call: Mayor Rice, Councilmembers Scott, Skogquist, Weaver, and Wesp.

City Manager Greg Lee; Community Development Director Doug Borglund; Assistant City Engineer Ben Nelson; Finance Director Brenda Springer; City Attorney Scott Baumgartner; Police Chief Eric Peterson; Public Works Director Mark Anderson; Utility Director Del Vancura.

Absent at roll call: None.

3. COUNCIL MINUTES

- 3.1 July 24, 2023 Worksession.
August 7, 2023 Budget Presentation.
August 7, 2023 Regular Meeting.

Motion by Councilmember Skogquist, seconded by Councilmember Scott, to approve the minutes of the July 24, 2023 Worksession, August 7, 2023 Budget Presentation, and August 7, 2023 Regular Meeting as presented.

Vote taken. All ayes. Motion carried.

4. OPEN FORUM

- 4.1 Police Activity Update.

Police Chief Eric Peterson said the food truck event went very well with no issues apart from some medical calls. He noted that planning was extensive for these types of events and was already occurring for 2024 then thanked Anoka Champlin Fire and Allina personnel for their work. He spoke about upcoming events including Cook Out for Cops and the event to honor the late Officer Groebner to raise funds for families in need. He shared about Sgt. Sorteberg's work on Toward Zero Deaths program that funded 41 hours for patrol and how Anoka officers signed up for 20 of those hours that resulted in 94 stops and 25 citations for various violations including many for speed on 7th/5th Avenues.

Councilmember Weaver noted he saw many EMTs on bikes during the food truck event which was very reassuring and asked about the size of the crowd that day. Chief Peterson estimated over 40,000 people attended.

4.2 Highway 10 Anoka Construction Update.

Assistant City Engineer Ben Nelson shared an update regarding Highway 10 construction.

Councilmember Weaver asked about the current work by the crane in the river along the man-made island and how they will work to remove obstructions in the river so there are no concerns for boat navigation. Mr. Nelson stated MnDOT will work to ensure the causeways are safe.

OTHER INFORMATION UNDER OPEN FORUM

Sharon Duffing, lead petitioner on the proposed ballot question for organized hauling, shared they had presented the City Clerk with a petition for a ballot question regarding organized hauling that contained more than double the required 348 registered voter signatures. She thanked the Council and City for their work in the process.

Kevin Landry (not signed in) spoke about the petition and how everyone signed it with the exception of two people and his desire to have the people vote on whether or not to have organized hauling and not the City Council.

5. PUBLIC HEARING(S)

None.

6. CONSENT AGENDA

Motion by Councilmember Wesp, seconded by Councilmember Weaver, to approve Consent Agenda Items 6.1 through 6.6 as presented.

Councilmember Weaver thanked Mr. Gunderson for his service on the Parks and Recreation Board.

6.1 Approve Verified Bills.

6.2 Revising and Setting Council Calendars.

6.3 U.S. Highway 10/169 Improvement Project; Approve Change Orders Numbers 61 and 62.

- 6.4 Highway 10 Rum River Bridge and Corridor Project; Approve Change Order Number 50.
- 6.5 Accept Resignation from Parks and Recreation Board; Steve Gunderson.
- 6.6 Approve Temporary On-Sale Liquor License; Anoka Lions Club, Concerts in the Parks September 20 and 27, 2023.

Vote taken. All ayes. Motion carried.

7. **REPORTS OF OFFICERS, BOARDS AND COMMISSIONS**

7.1 Planning Items:

None.

8. **PETITIONS, REQUESTS AND COMMUNICATION**

None.

9. **ORDINANCES AND RESOLUTIONS**

9.1 ORD/Establishing Social District Regulations. (2nd Reading)

ORDINANCE

Community Development Director Doug Borglund shared a background report stating first reading of the proposed ordinance was held and no concerns or suggested changes were made. He said during the 2022 Minnesota Legislative Session as part of the Omnibus Liquor Bill that was signed into law. The Liquor Bill included a special provision only for the City of Anoka enabling the City to establish something called a “Social District”. This law is exclusive to the City of Anoka, in the State of Minnesota. City worked closely with Representative Zack Stephenson who assisted with changing State Law exclusively for Anoka. The proposal is to amend existing Chapter 10 Amusements and Entertainment, adding and establishing Article VI (6) Social Districts. A “Social District” is specific area, which allows people to purchase and drink beer, wine, or a cocktail from a licensed business and walk through a defined area of the city including public areas such as sidewalk or street or participate in a district event/activity. Adoption of the proposed regulations will enable the City of Anoka to issue a Social District license to any holder of an on-sale liquor license with on-sale premises contiguous with the premises of the Social District as defined by the City. If a business has a liquor and Social District license, you can participate along with your patrons in the district. Businesses participating in the district can allow its customer to buy and take their drink and consume it in the public realm

like on the sidewalk, park, or in the street as part of an event in the district. As well, the City of Anoka must establish management and maintenance plans for the social district and post these plans, along with a rendering of the boundaries of the social district and days and hours during which alcoholic beverages may be consumed in the district, on the website for the City of Anoka. The Social District must be maintained in a manner that protects the health and safety of the general public. The State Law enables the City of Anoka to establish a Social District effective upon approval by the Anoka City Council of an ordinance and management/maintenance plan in compliance with Minnesota Statutes, Section 645.02.

Councilmember Weaver said he believed this new concept will not be an experiment as the recent food truck event has been held the 3-4 years with no real concerns and knew the social district would go very well because it has been well planned.

Chief Peterson agreed that as proposed low-key sip-and-stroll type activity should be fine but that staff will monitor and track incidents and report back for more follow-up.

Councilmember Weaver added having the social district hours close at the same time as the patios will help with potential concerns.

Councilmember Skogquist explained how social districts worked in other states and the concerns here that included hours and liquor liability insurance and felt this will be similar to the car shows. He said he liked its proposed structure of holding for a month this fall to see how it goes then questioned the boundaries as noted that did not include parking lots near the Wheelhouse and others and suggested including a better depiction of the actual boundaries through an attached exhibit.

City Attorney Scott Baumgartner suggested an amendment to the ordinance that included borders the west side of 3rd Avenue and along the west side of a portion of Jackson Street that included the alley north of Jackson Street.

Councilmember Weaver said language should be all-inclusive of all parking lots within the boundary.

Motion by Councilmember Weaver, seconded by Councilmember Scott, to hold second reading and adopt an ordinance amending Chapter 10 Amusements and Entertainment; Establishing Article VI. Social Districts of the Code of the City of Anoka Minnesota as amended to include the areas that border the west side of 3rd Avenue and along the west side of a portion of Jackson Street that included the alley north of Jackson Street and all parking lots within the boundary area.

Upon a roll call vote: Mayor Rice, Councilmembers Scott, Skogquist, and Weaver voted in favor. Councilmember Wesp voted nay. Motion carried.

RES/Summary Resolution of Ordinance Establishing Social District Regulations.

RESOLUTION

City Manager Greg Lee stated the following resolution would provide summary publication for the adopted ordinance establishing social district regulations.

Motion by Councilmember Skogquist, seconded by Councilmember Scott, to adopt a resolution providing for summary publication for an ordinance amending Chapter 10 Amusements and Entertainment; Establishing Article VI. Social Districts of the Code of the City of Anoka Minnesota.

Upon a roll call vote: Mayor Rice, Councilmembers Scott, Skogquist, and Weaver voted in favor. Councilmember Wesp voted nay. Motion carried.

9.2 RES/Social District Management and Maintenance Plan.

RESOLUTION

Mr. Borglund shared a background report stating with adoption of Social District regulations that enabled the City to issue a Social District license to any holder of an on-sale liquor license whose on-sale premises within or contiguous with the premises of the Social District, the City must establish management and maintenance plans for the Social District and post these plans, along with a rendering of the boundaries of the social district and days and hours during which alcoholic beverages may be consumed in the District, on the website for the City of Anoka. The Social District must be maintained in a manner that protects the health and safety of the general public.

Councilmember Skogquist asked if staff reviewed other cities for their management plans. Mr. Borglund said the plan was modeled after Marquette Michigan's social district plan.

Motion by Councilmember Skogquist, seconded by Councilmember Scott, to adopt a resolution approving the social district maintenance and management plan.

Councilmember Weaver said he was excited to see this district come to fruition.

Upon a roll call vote: Mayor Rice, Councilmembers Scott, Skogquist, and Weaver voted in favor. Councilmember Wesp voted nay. Motion carried.

- 9.3 RES/Summary Resolution of Ordinance Amending Chapter 18, Buildings and Building Regulations.

RESOLUTION

Mr. Borglund stated the City Council approved second reading and adopted the ordinance amendment on August 7, 2023 as proposed and staff was bringing forward the summary resolution for purpose of publication. The City discussed the proposed ordinance amendment at its July 17, 2023 regular meeting and no concerns or changes were presented.

Motion by Councilmember Skogquist, seconded by Councilmember Weaver, to adopt a resolution providing for summary publication amending Chapter 18 Buildings and Building Regulations; Article II Building Code of the Code of the City of Anoka Minnesota.

Upon a roll call vote: Mayor Rice, Councilmembers Scott, Skogquist, Weaver and Wesp voted in favor. Motion carried.

- 9.4 ORD/Revising 2023 Master Fee Schedule.
(2nd Reading)

ORDINANCE

Mr. Borglund shared a background report stating staff is proposing two amendments to the 2023 Master Fee Schedule will establish new fees in the area of building permits and administration. The City Council held first reading on August 14, 2023 and stated no concerns or changes. With the adoption of regulations to establish a Social District the City is required to establish a Social District License along with a fee. As part of the Social District the City is proposing to establish a surcharge on Social District beverage cups to help cover the cost of maintenance and management of the Social District once established. He stated staff was also proposing new plumbing fees as the City was in process of taking back plan review authority from the State of MN to speed up the process and reduce delays in construction. The City will need to establish fees related to permit for public, institution, and commercial projects/permits. The proposed fees are similar to what Ramsey and Andover just adopted. Both Ramsey and Andover are also taking plumbing plan review back in house for the same reasons.

Motion by Councilmember Scott, seconded by Councilmember Weaver, to hold second reading and adopt an ordinance amending the 2023 Master Fee Schedule of the City of Anoka, Minnesota.

Upon a roll call vote: Mayor Rice, Councilmembers Scott, Skogquist, and Weaver voted in favor. Councilmember Wesp voted nay. Motion carried.

9.5 RES/Site Plan (Landscaping) Amendment; 911 Lund Boulevard (HOM Furniture).

RESOLUTION

Senior City Planner Clark Palmer shared a background report stating in 2021 HOM Furniture received approval of a site plan review for an approximate 100,000 square-foot building addition and related site improvements. The plan showed the elimination of 67 trees, with an additional 65,900 sq. ft. of trees and vegetation removed along the north property line. As a condition of approval, the applicant was required to install an 8-foot tall privacy fence along the north property line, plant a row of shrubs in front of the fence along Bunker Lake Boulevard, replace 49 tree and pay a tree replacement fee of \$6,650. The applicant is seeking approval of a landscaping plan amendment related to the project. They are proposing to paint the north elevation of their new building addition as an alternative to (1) replacing the 49 trees as originally proposed and (2) planting a row of shrubs in front of the 8-foot-tall privacy fence. The applicant submitted a letter from their landscape contractor, Best Outdoor Services, who has concerns about the landscaping plan, stating, “the amount of snow that is pushed off the Bunker Lake Boulevard eastbound driving lane from MnDOT plows and up against our clients new fence doesn’t allow adequate environment for any type of shrub to survive. They shared while snow cover will typically insulate shrubs from wind and sub-zero temperatures, the velocity at which snow is thrown from the wakes of MnDOT plows will create havoc on these shrubs. The Planning Commission reviewed the proposed amendment at their August 1, 2023, regular meeting and recommended approval of the revised landscaping plan subject to the following condition: 1. The Applicant shall complete the painting plan as proposed and presented to the Planning Commission.

John Pierce, HOM Furniture, shared comments about the proposed project that included an addition to the original landscape plan in detail that included tree removal during construction, irrigation and sod, then shared more about the proposed tree removal balanced against their survival then commented on architectural enhancements on the north elevation.

Councilmember Skogquist asked about stormwater management and not having enough snow storage on site and suggested for this size of a building that HOM Furniture consider removing snow from the site instead. Mr. Pierce said stormwater management was approved by the Rum River Watershed and shared more about the underground system and agreed they could consider snow removal if needed but likely would not be needed for a number of years, adding the buffer doesn’t allow for adequate snow storage right now and that they had concerns about plantings not surviving.

Mr. Palmer commented instead of shrubs on the fence the applicant could include deciduous trees instead. He said while the Planning Commission wanted to see

the painting completed as well as the landscaping, HOM Furniture has an approval and will do the landscape plan but may not wish to move forward with the painting.

Mayor Rice asked questions regarding room on the side of the building for possible shrubs and confirmed irrigation will be in place and suggested cottonwoods be included instead. Mr. Palmer said trees cannot be placed in the right-of-way so the fence would be pushed farther out and suggested deciduous trees as an alternative for the 5 feet area instead.

Councilmember Weaver said the goal was to break up the monotony of the beige wall and would be open to other ideas. He understood snow storage concerns but agreed this past year was unusual and that sufficient snow storage was not afforded to many then asked about the room between the fence and building. Mr. Palmer said the area varies but the drive aisle is less than 5 feet and the fence was 8 feet and originally planned to be dark walnut brown but resulted in more of a beige color.

Councilmember Skogquist referred to the approved landscaping plan and the proposed adjustments. Mr. Palmer said the resolution approving the revised landscaping plan eliminated shrubs and trees and would still require the sodding and irrigation with the condition the painting plan be completed but could be amended to include a number of deciduous trees as well.

Councilmember Skogquist suggested the painting still occur and include 8-foot tall deciduous trees every 75 feet on average be included. Mr. Pierce supported that recommendation.

Motion by Councilmember Skogquist, seconded by Councilmember Scott, to adopt a resolution for approval of a site (landscaping) plan amendment with the addition of the building painting plan and inclusion of 6 deciduous trees of not less than 8 feet tall on the north property line of 911 Lund Boulevard, HOM Furniture.

Mr. Lee suggested the trees be 2.5-inch caliber, balled and burlap deciduous trees instead to better define the tree requirements. Mr. Palmer suggested adding language in accordance with City code.

Councilmembers Skogquist and Scott agreed to the proposed friendly amendments.

Mayor Rice suggested including other tall, fast-growing trees. Mr. Palmer suggested the applicant submit a plan to staff for City Forester approval regarding type and location along the curb and if concerns can be brought back to City Council for review.

Upon a roll call vote: Mayor Rice, Councilmembers Scott, Skogquist, Weaver, and Wesp voted in favor. Motion carried.

9.6 ORD/Zoning Text Amendment; Chapter 78, Sections 78-518(c) and 78-519(a)(2); Sign Heights Along Highway 10.
(1st Reading)

Mr. Palmer shared a background report stating staff was proposing an amendment to City Code Sections 78-518 (B-1 Highway Business District) and 78- 519 (B-2 Shopping Center Business District). The proposed text amendment proposes to limit the height of freestanding pole/pylon signs for parcels that abut U.S. Hwy. 10 to no more than 35 feet above the average grade of the abutting highway. The Planning Commission reviewed the proposed amendment and held a public hearing at their regular meeting on August 1, 2023. There were no public comments. The Planning Commission recommended approval. Freestanding pylon or pole signs located on parcels that abut Highway 10 right-of-way may be constructed to a maximum height of 35 feet above the average grade of the abutting Highway 10 roadway elevation or 50 feet, whichever is less.

Councilmember Weaver thanked staff for their proactive work on this amendment.

Motion by Councilmember Weaver, seconded by Councilmember Scott, to hold first reading of an ordinance amending Chapter 78, Sections 78-518(c) and 78-519(a)(2), of the Code of the City of Anoka Minnesota.

Upon a roll call vote: Mayor Rice, Councilmembers Scott, Skogquist, Weaver, and Wesp voted in favor. Motion carried.

9.7 RES/Awarding the Sale of \$10,675,000 Abatement Bonds, Series 2023B.

RESOLUTION

Finance Director Brenda Springer shared a background report stating the City Council has determined that it is necessary to issue the City's \$10,765,000 Taxable GO Temporary Tax Abatement Bonds, Series 2023B bonds to fund the purchase and demolition of 2939 6th Avenue Miller Manufacturing Building. The City has retained Ehlers & Associates as its independent municipal advisor for the bonds and that Council will consider proposals and award the sale of the bonds. She said adopting of this resolution would allow the City Council to issue taxable GO Temporary Tax Abatement Bonds in the amount of \$10,765,000, and pay for the purchase of 2939 6th Avenue.

Keith Dale, Ehlers and Associates, reviewed the bids received in detail for temporary tax abatement for three-year maturity with an ultimate balloon payment that would result in no funding needed to levy the annual interest and principal.

He said they held the rating call with S&P who assigned an A1+ short term rating which is the highest for short term bonds and affirmed the City's AA+ credit rating on all other outstanding debt due to its strong management, budget flexibility and liquidity. He said they received 5 bids which included a higher interest rate than anticipated but due to adjustment factors were offset and resulted in a reduction of the bond size by \$10,000. Mr. Dale said staff recommended award to JP Morgan LLC for a true cost of 5.28%.

Councilmember Wesp said these were favorable terms for short-term bonds which showed the City was being fiscally responsible and thanked staff for their work in getting this project accomplished.

Motion by Councilmember Wesp, seconded by Councilmember Scott, to adopt a resolution awarding the sale of Taxable General Obligation Temporary Tax Abatement Bonds, Series 2023B, in the Original Aggregate Principal Amount of \$10,765,000; Fixing Their Form and Specifications; Directing Their Execution and Delivery; and Providing for Their Payment.

Councilmember Scott said he was pleased with the liquidity and number of banks that submitted bids and thanked staff for their work.

Upon a roll call vote: Mayor Rice, Councilmembers Scott, Skogquist, Weaver, and Wesp voted in favor. Motion carried.

Councilmember Wesp asked when the funds will be available to satisfy the contract for deed. Ms. Springer said funds would be available by September 15. Mr. Borglund added the contract for deed will expire in November and explained the process and the need for a second closing on the building.

Councilmember Wesp asked how the City will address the vacant building as it may become an attractive nuisance. Chief Peterson said the department would conduct extra controls and will be touring the building soon to familiarize themselves with the layout and be installing alarm systems soon.

10. UNFINISHED BUSINESS

None.

11. NEW BUSINESS

11.1 Approve the Proposed for Planning Purposes; Capital Improvement Plan (CIP) and Equipment Replacement Plan (ERP).

Ms. Springer stated the final copy of the 2024 – 2028 five-year capital improvement and equipment replacement plan for the City of Anoka has been provided. This is proposed for planning purposes and is subject to change at

future budget worksessions. Council and staff reviewed capital requests on Monday, June 20, 2023, and all Capital Improvements and Equipment Replacement requests will be included in the 2024 budget process for discussion.

Councilmember Wesp referred to Green Haven golf course and the importance of good lawnmowing equipment and to maintain the course at the levels expected by the public and while it may be hard to understand the need to replace a mower with only 3,600 hours of use this equipment is used daily and needs to be replaced in a timely manner to maintain the standards needed. He spoke about snow removal and the importance to remove it timely for safety reasons and that sometimes equipment needs to be replaced and thanked staff for working to keep equipment working well as long as possible.

Motion by Councilmember Wesp, seconded by Councilmember Skogquist, to approve the Proposed for Planning Purposes; Capital Improvement Plan (CIP) and Equipment Replacement Plan (ERP) as presented.

Vote taken. All ayes. Motion carried.

12. UPDATES AND REPORTS

12.1 2nd Quarter Financial Report.

Ms. Springer shared the second quarter financial reports that included a review of governmental funds of assets and liabilities, current fund balance and general fund reserves, with the largest changes in the park fund due to the parking ramp and building improvements. She outlined general fund expenditures such as salary increases and new positions, contractual services, percent allocations, liabilities, compensated absences, enterprise funds, and investments, and said the City continues to be fiscally responsible.

12.1 Tentative Agenda(s).

The Council reviewed the tentative agendas of the upcoming Council meetings.

12.2 Staff and Council Input.

Chief Peterson cautioned the community about the upcoming heat advisory and to stay cool and hydrated.

Councilmember Weaver asked for update on the Rum River maintenance program and the upcoming bonding committee tour on September 13.

Mr. Nelson shared staff met with the contractor for dredging and would be going out for quotes. He said the comment period ended today so comments will be reviewed with the DNR and soil samplings taken of the entire river. He said staff

hopes to advertise for quotes soon and will do so before results of the samplings are known as to what type of material will be excavated in order to move the process along as quickly as possible.

Mr. Lee shared the capital bonding committee will be reviewing the Rum River Regional Dam project on September 13. He said Representative Stephenson will speak to the project and share the importance of funding for these improvements and invited any Councilmembers to speak that day as well.

ADJOURNMENT

Councilmember Wesp made a motion to adjourn the Regular Council meeting. Councilmember Skogquist seconded the motion.

Vote taken. All ayes. Motion carried.

Time of adjournment: 9:56 p.m.

Submitted by: Cathy Sorensen, *TimeSaver Off Site Secretarial, Inc.*

Approval Attestation:

Amy T. Oehlers, City Clerk